



DEPUTY SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1010

FEB - 4 2008

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
COMMANDERS OF THE COMBATANT COMMANDS
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF
DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF
DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, PROGRAM ANALYSIS AND EVALUATION
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DEFENSE FIELD ACTIVITIES

SUBJECT: *Check It* Campaign Challenge

Since inception in 2006, the Department of Defense (DoD) *Check It* Campaign has been increasing the awareness on the importance of effective internal management controls (IMC), which help ensure what should happen, does happen, every day. The slogan of the campaign is, "*Check It. What gets checked, gets done.*"

The DoD has 19 manager-identified material weaknesses, listed on the attachment. Although DoD leaders are commended for a dramatic reduction of material weaknesses from 116 in fiscal year (FY) 2001 to 19 at the end of FY 2007, my goal is zero material weaknesses in the Department. These weaknesses materially disrupt IMC effectiveness and the success of daily operations. Therefore, in the spirit of the *Check It* Campaign, I challenge you to accelerate the correction and eliminate these weaknesses in advance of the original target dates. Your personal attention to the milestones to correct these material weaknesses identified in the Financial Improvement and Audit Readiness and Enterprise Transition Plans will help us meet that goal.

If you have questions, my point of contact is Ms. Peggy Johnson. Ms. Johnson can be reached at (703) 607-0300, extension: 111 or peggy.johnson@osd.mil.

Thanks!
John Egan

Attachment:
As stated



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FY 2007 Outstanding Management - Reported Material Weaknesses



Material Weakness Name	Senior Official in Charge*	Completion Date (FY)
Government Card Program Management	Ms. Sheila Earle, Acting Director, Defense Travel Management Office, OUSD(P&R)	2008
Federal Procurement Data Validation	Honorable James Finley, Deputy Under Secretary of Defense (Acquisition and Technology) (DUSD(A&T)), OUSD(AT&L)	2008
Real Property Infrastructure (Deterioration and Obsolescence)	Mr. Alex Beehler, Acting Deputy Under Secretary of Defense (Installations and Environment) (DUSD(I&E)), OUSD(AT&L)	2008
Contracting	Honorable James Finley, DUSD(A&T), OUSD(AT&L)	2009
Financial Reporting of Health Care Liabilities	Mr. Allen Middleton, Acting Deputy Assistant Secretary of Defense (Health Affairs), OUSD(P&R)	2009
Management of Information Technology and Assurance	Honorable John Grimes, Assistant Secretary of Defense (Networks and Information Integration) / DoD Chief Information Officer	2009
Personnel Security Investigations Program	Mr. Troy Sullivan, Acting Deputy Under Secretary of Defense (Counterintelligence and Security), OUSD(I)	2009
Interagency Acquisition and Potential for Anti-Deficiency Act Violations	Honorable James Finley, DUSD(A&T), OUSD(AT&L) and Mr. James Short, Deputy Chief Financial Officer (DCFO), OUSD(C)	2010
Financial Reporting of Environmental Liabilities	Mr. Alex Beehler, Acting DUSD(I&E), OUSD(AT&L)	2011

* Senior Official in Charge as reported to Secretary of Defense in FY 2007 Component Statements of Assurance, updated where appropriate.

- OUSD(AT&L) – Office of the Under Secretary of Defense (Acquisition, Technology and Logistics)
- OUSD(P&R) – Office of the Under Secretary of Defense (Personnel and Readiness)
- OUSD(C) – Office of the Under Secretary of Defense (Comptroller)

For more information refer to website: http://www.defenselink.mil/comptroller/micp/05_Statement_of_Assurance/index.html 1 of 2

FY 2007 Outstanding Management - Reported Material Weaknesses



Material Weakness Name	Senior Official in Charge*	Completion Date (FY)
Valuation of Real Property Assets	Mr. Alex Beehler, Acting DUSD(I&E), OUSD(AT&L)	2011
Valuation of Military Equipment Assets	Dr. Nancy Spruill, Director of Acquisition Resources and Analysis, (DAR&A), OUSD(AT&L)	2013
Financial Reporting of Accounts Receivable	Mr. James Short, DCFO, OUSD(C)	2014
Financial Reporting of Fund Balance with Treasury	Mr. James Short, DCFO, OUSD(C)	2014
Valuation of General Personal Property	Dr. Nancy Spruill, DAR&A, OUSD(AT&L)	2014
DoD Financial Management Systems and Processes (Material weaknesses and noncompliance with Section 2 of FMFIA)**	Mr. Paul Brinkley, Deputy Under Secretary of Defense (Business Transformation) (DUSD(BT)), OUSD(AT&L)	2015
DoD Financial Management Systems and Processes (System Nonconformance with Section 4 of FMFIA)**	Mr. Paul Brinkley, DUSD(BT), OUSD(AT&L)	2015
Financial Reporting of Accounts Payable	Mr. James Short, DCFO, OUSD(C)	2015
Valuation of Operating Materials & Supplies	Honorable Jack Bell, Deputy Under Secretary of Defense (Logistics and Materiel Readiness) (DUSD(L&MR)), OUSD(AT&L)	2015
Valuation of Inventory	Honorable Jack Bell, DUSD(L&MR), OUSD(AT&L)	2016

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** Federal Managers' Financial Integrity Act (FMFIA).

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- OUSD(C) – Office of the Under Secretary of Defense (Comptroller)
- OUSD(I) – Office of the Under Secretary of Defense (Intelligence)